

New Jersey District Office

SBA New Jersey

Your Small Business Resource

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For More Information:

SBA offices are located in all 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam. For the office nearest you, look under "U.S. Government" in your telephone directory, or visit our Web site at www.sba.gov

Your rights to regulatory fairness:
1-800-REG-FAIR

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All of the SBA's programs and services are provided to the public on a nondiscriminatory basis.

Record Pace;

Loan Approvals to NJ Businesses Increase by 40%

The U.S. Small Business Administration (SBA) New Jersey District Office reported a 40 percent increase in SBA loan approvals and a 24 percent increase in the dollars that New Jersey small business owners received during the first three quarters of the agency's fiscal year 2005. The SBA New Jersey District Office continues to remain on pace to set records in the number of loans and dollars approved to small business owners throughout the state.

According to SBA New Jersey District Director James A. Kocsi, New Jersey small business owners received 2,682 SBA-backed loans for \$510.5 million from October 1, 2004 through June 30, 2005, compared to the 1,914 loans for \$413.3 million that were approved through the third quarter of fiscal year 2004.



RECORD PACE— Chris Williams, owner of the Four Seasons Health Spa in Glassboro gives a tour of his new 60,000 square foot state-of-the-art health complex. A \$1.2 million loan from the U.S. Small Business Administration (SBA) and Columbia Bank allowed him to renovate and purchase equipment for the new facility, which will now employ 100 people. Williams is seen here walking on the club's indoor track with (From Right to Left) Glassboro Council President Anthony J. Fiola, SBA New Jersey District Director James A. Kocsi, SBA Business Development Specialist Donald Swartz, Columbia Bank Vice President Dan Hires, and Glassboro's Director of Business Development Sam Leone.

"With three quarters of Fiscal Year 2005 completed, we are well on our way to again setting a new record in SBA lending for New Jersey," said Kocsi. "It tells us that small businesses are confident enough to invest in the future of the American economy, and that SBA programs are helping them to do just that."

During the first nine months of fiscal year 2005, the SBA New Jersey District Office approved 146 loans for \$18.8

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Star Dynamic Corporation is Named 2005 SBA Regional Prime Contractor of the Year

Star Dynamic Corporation, a Garfield-based manufacturer of telecommunication equipment for the U.S. Military, was named recipient of the U.S. Small Business Administration's 2005 Regional Prime Contractor of the Year Award for Region II, it was recently announced.

In making the announcement, SBA New Jersey District Director James A. Kocsi, said Star Dynamic Corporation competed against several other firms from Region II, which encompasses New Jersey, New York, Puerto Rico and the U.S. Virgin Islands for the award.

In 1975, Leonard Schwartzman, CEO and David Alster formed Star Dynamic Corporation. Today, the company provides the U.S. Military with comprehensive engineering, manufacturing and testing services of telecommunication equipment from its 25,000 square foot facility in Garfield. Some of the company's products include innovative digital and field telephones, modems, switchboards, and intercom amplifiers designed for the U.S. Military.

The company has 50 employees who are comprised of electronic and mechanical engineers, skilled assembly operators, and exacting quality assurance people. Star Dynamic Corporation's participation in value engineering programs has saved the U.S. Government over \$10 million.

According to Kocsi, Richard La Pointe of the Defense Contract Management Agency at Picatinny Arsenal nominated Schwartzman and his company for the award. Star Dynamic Corporation was selected for the



DIALING UP SUCCESS---U.S. Small Business Administration New Jersey District Director James A. Kocsi (Center) listens in as Leonard Schwartzman, CEO of Star Dynamic Corporation of Garfield, demonstrates the latest telecommunication equipment his company produces for the U.S. Military as company vice presidents David Alster (left) and Michelle Schwartzman (right) look on. The Star Dynamic Corporation was named the SBA's 2005 Regional Prime Contractor of the Year.

award based on criteria that measure the company's technical and management capability; the company's financial strength; customer interface; and its ability to deliver quality products and services at a competitive cost and in a timely manner to the U.S. Government.

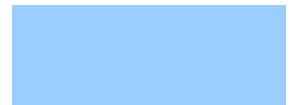
In accepting the award, Michelle Schwartzman, the vice president of the company said, "This is a great honor for our company, and is a testimony to the quality service that we provide the U.S. Government."

"This award is a tribute to the dedication of all our employees at Star Dynamic Corporation and is an outstanding achievement for a company of our size," said Michelle Schwartzman. "It's great to be recognized for the quality service we provide to the U.S. Military."

According to Kocsi, the Schwartzmans and Alster were honored in Washington, D.C. during National Small Business Week in April by SBA Administrator Hector V. Barreto.

The company's Quality Management System has been certified to ISO 9001-2000 requirements, and enjoys a 30-year record of success in the design of reliable and cost-effective telecommunication equipment.

This is also the second time the company has received this honor from the SBA. Star Dynamic Corporation was the SBA's Regional Prime Contractor of the Year in 1989.



SBA's NJ Top Lenders in 2005

(For the Period of October 1, 2004 through June 30, 2005)

Lender	# of Loans	\$Amount
1) Bank of America	417	\$ 16.0 Million
2) PNC Bank	345	\$ 57.2 Million
3) Commerce Bank	268	\$ 99.1 Million
4) Capital One Bank	171	\$ 7.8 Million
5) Valley National Bank	141	\$ 28.2 Million
6) HSBC Bank USA	131	\$ 9.5 Million
7) Broadway National Bank	108	\$ 35.3 Million
8) Citizens Bank of Rhode Island	102	\$ 5.4 Million
9) Unity Bank	82	\$ 22.1 Million
10) Sun National Bank	82	\$ 12.5 Million

Demand for SBA Loans at All Time High

Continued from Page 1

million to African-American small business owners; Asian-American small business owners received 627 loans for \$145.1 million; Hispanic-American small business owners received 227 loans for \$32.9 million; and women-owned small businesses received 634 loans for \$79.1 million.

In New Jersey, loans to African-Americans increased by 37 percent through the third quarter of fiscal year 2005, while loans to Asian-Americans increased by 44 percent. Loans to Hispanic-Americans increased by 61 percent and loans to women business owners in the state increased by 72 percent.

Leading the way in SBA lending during the first three quarters was Bergen County with 399 loans for \$61.3 million. Essex County was second with 219 loans for \$37.5 million; Camden County was third with 202 loans for \$36.4 million; Monmouth County was fourth with 196 loans for \$50.6 million; and Middlesex County was fifth with 189 loans for \$39.8 million.

Bank of America was the top SBA lender during the first three quarters, approving 417 loans for \$16 million. PNC Bank followed with 345 loans for \$57.2 million. Commerce Bank ranked third, approving 268 loans for \$99.1 million. Rounding out the top five lenders were Capital One Bank with 171 loans for \$7.8 million; and Valley National Bank with 141 loans for \$28.2 million.

Banco Popular Lauded for Defraying Cost of SBA Guaranty Fees on Loans of \$150,000 or Less

The U.S. Small Business

Administration's (SBA) New Jersey District Director James A. Kocsi lauded Banco Popular North America's new initiative to defray the 2 percent guarantee fee the agency charges on SBA loans ranging from \$5,000 to \$150,000.

The special initiative applies to small business owners in New Jersey and the New York Metropolitan area and can be accessed through the 46 Banco Popular North American branches in the area.

"I applaud Banco Popular North America for their innovative approach to increase SBA lending," said Kocsi. "The fact that the bank is willing to provide business owners with incentives to utilize the SBAExpress Loan program is evidence of their strong commitment to assist in the expansion and creation of small businesses."

By defraying the cost of SBA's guarantee

fee on loans between \$5,000 and \$150,000, Banco Popular North America will be saving small business owners anywhere from \$100 to \$3,000 in fees.

The special incentive program for area small business owners is available from Banco Popular North America through September 30, 2005. In addition to the SBA guarantee fee being absorbed by the bank, Banco Popular North America is offering approved loan applicants access to a free small business checking account and a debit card. The loans can be accessed through a line of credit, business credit card, or a term loan with a maturity of up to seven years. In addition, the bank commits to a 48 hour decision timeframe.

"The partnership between Banco Popular and the SBA allows us to make dreams happen for small business owners in the New York

Metro area as we offer a full-range of financial services to small businesses in underserved markets," said Michelle Imbasciani, New York Metro Regional Executive. "We believe this integrated financial solution better serves the businesses in all our communities at the branch level."

During the first eight months of SBA's Fiscal Year 2005, Banco Popular North America has approved 18 SBA loans for \$5.4 million. "With this new incentive program offered by Banco Popular, we expect to see a spike in SBAExpress loans during the next three months," said Kocsi.

Banco Popular's New Jersey branch office locations include Bloomfield, Clifton, East Orange, Elizabeth, Newark, Jersey City, Montclair, North Bergen, Passaic, Perth Amboy and West New York. Additional information is also available at www.bancopopular.com.

Upcoming Events

Get Online Now! (How to Create or Improve Your Web site)
Wednesday, August 17, 2005 – 9:00 a.m. – 11:00 a.m.
PNC Bank Community Education Center
Location: Plainfield
For Info: (908) 737-5950 Cost: No Fee

Financial and Technical Assistance for Small Business
Wednesday, August 24, 2005 – 6:30 p.m.-9:00 p.m.
Townsend Residential Life Center –Multi-Purpose Center
Location: Pomona Cost: No Fee
For Info: Linda McDevitt 609-652-3700 Ext. 229

Business Workshop for Women Entrepreneurs
Wednesday, September 21, 2005
6:00 p.m. – 8:00 p.m. Cost: No Fee
Sun National Bank – Turnersville
For Info: (856) 629-6000

Are You Ready to Go Into Business?
Monday, August 22, 2005 – 7:00 p.m. – 8:30 p.m.
Montclair Public Library
50 South Fullerton - Montclair
For Info: (973) 744-0500 Cost: No Fee

Building and Financing Your Business with the SBA
Friday, September 9, 2005 – 8:30 a.m. – 12:30 p.m.
City Hall – 920 Broad Street - Newark
For Info: (973) 353-5950 Cost: No Fee

Starting a Home Based Business
Thursday, October 27, 2005 – 7:00 p.m. – 8:30 p.m.
Union Public Library 1980 Morris Avenue
1980 Morris Avenue - Union
For Info: (908) 851-5450 Cost: No Fee



DR-CAFTA Trade Agreement Will Help U.S. Businesses

By William Manger, Jr.

Congress will soon vote on the U.S.-Dominican Republic-Central America Free Trade Agreement (DR-CAFTA), the largest free trade agreement in over a decade. As Congress debates the merits of the Agreement, it is important to understand the benefits DR-CAFTA will bring to American businesses and why its passage is in the best economic interests of America, as well as the democracies in Central America.

First, DR-CAFTA supports American jobs. A U.S. Chamber of Commerce study of DR-CAFTA's impact on a dozen states projects it will create over 25,000 new jobs in its first year — and over 130,000 new jobs in a decade.

By passing CAFTA, the United States would open up a market of 44 million consumers for American farmers and small business owners.

Today, 80% of Central American and Dominican products enter the U.S.

market duty free, while our merchandise exports to the six countries face tariffs that average between 30% and 100% higher. In other words, these countries are enjoying nearly free access to our marketplace while our access to theirs remains limited. DR-CAFTA will fix this imbalance by immediately eliminating all tariffs on 80% of U.S. manufactured goods, with the remainder phased out over a few years.

Farmers will get a big boost from DR-CAFTA; in fact, the American Farm Bureau Federation projects that DR-CAFTA will boost U.S. agricultural exports by \$1.5 billion annually. American farmers can expect an upsurge in exports of corn (\$55 million in increased exports), wheat (\$55 million), rice (\$69 million), soybeans (\$18 million), poultry (\$144 million), pork (\$35 million) and beef (\$36 million).

For the countries of Central America, DR-CAFTA would bring new investment, better jobs and higher labor standards for their workers. By reducing tariffs on U.S. goods, all consumers in these countries will enjoy better goods at lower prices. These lower prices

will also give Central American small businesses, farmers and entrepreneurs less costly access to U.S.-made machinery and equipment.

In the long run, DR-CAFTA will help the economies of Central America grow thereby increasing their standard of living and their ability to purchase even more U.S. goods.

By passing DR-CAFTA, the United States would signal that the world's leading trading nation was committed to a closer partnership with countries in the Americas. The U.S. Small Business Administration supports the passage of DR-CAFTA and its benefits to American small businesses.

William Manger, Jr. is the regional administrator of the U.S. Small Business Administration, Region II, with jurisdiction over Agency activities in New York State, New Jersey, Puerto Rico and U.S. Virgin Islands.

Service-Disabled Veterans Small Business Expo Slated September 14th

Service-Disabled Veteran small business owners interested in obtaining contracts from the federal government and private sector companies are invited to attend a Small Business Expo on Wednesday, September 14, 2005 from 9:00 a.m. to 1:00 p.m. at the Hampton Inn located at 350 Morris Avenue in Denville, New Jersey.

The free program is sponsored by the U.S. Small Business Administration (SBA), U.S. Army Research Development & Engineering Command at Picatinny Arsenal, New Jersey Small Business Development Centers, and the Skylands Small Business Development Center. Veteran business owners are invited to network with decision makers from various government agencies and private sector companies.

To register, please forward your name, address, and phone number to: Skylands Small Business Development Center at (908) 689-9620 or by e-mailing sbdc@warren.edu. For additional information, contact Martin McHenry, Veterans Business Development Officer for the SBA at (973) 645-2427 or by e-mail at martin.mchenry@sba.gov.

Pet Doc Scores Some Success in Dog Eat Dog World; SBA Programs Help Launch Veterinary Practice

It may be a dog eat dog world, but that doesn't seem to bother Dr. John S. Kim. In fact, dogs and cats are a big part of Dr. Kim's success. That's because Dr. Kim is a veterinarian who owns and operates the Edgewater Animal Hospital in Edgewater.

Dr. Kim's path to becoming a veterinarian was a little different than most. After graduating with a degree in Sociology from Vassar College, Dr. Kim worked as a case worker with homeless men and women in Manhattan at the Open Door near the Port Authority Bus Terminal. But it was his love of animals that made him want to make a career change. His path to becoming a veterinarian started by going back to school at City College in Manhattan in order to meet the pre-veterinarian school required course work. He continued to hold down a full-time job, while enrolled in the program. In 1996, Dr. Kim began his studies at Cornell University College of Veterinary Medicine.

After graduating from Cornell in 2000, Dr. Kim worked with Dr. Lawrence Stetler of the Wayne Animal Hospital in Wayne. "From the time I started this journey, I always dreamed of starting my own practice," said Dr. Kim.

Although he had the proper education and practical experience as a veterinarian, Dr. Kim lacked the necessary knowledge to start his own business. That's when he turned to SCORE - Counselors to America's Small Businesses.

SCORE is a volunteer organization



Dog Eat Dog World-Not for Dr. John Kim and his assistant as they hold Dr. Kim's Basset Hound, Bama, on an examining table at the Edgewater Animal Hospital. Some valuable advice from SCORE Counselors Joseph De Ferrari and David Malka and a \$207,000 SBA-backed loan from PNC Bank helped Dr. Kim launch his own veterinary practice last November.

sponsored by the U.S. Small Business Administration (SBA). Started in 1964, active and retired business owners provide free business counseling to small business owners and entrepreneurs looking to start or expand their businesses.

When he was looking for a business loan, a bank officer at PNC Bank recommended that Dr. Kim get some guidance from SCORE. At the time Dr. Kim lived in Secaucus, and remembered that SCORE had office hours at the Secaucus Library. There Dr. Kim met with SCORE business counselors Joseph De Ferrari and David Malka.

"Dr. Kim needed some help with developing his business plan," said Malka. "He really came in prepared to do his homework. All we did was to reassure and encourage him that he was on the right track."

"I found the advice that Joe and David provided me with to be very sound," said Dr. Kim. "Joe told me how banks would perceive me and what I would need to apply for an SBA loan. David encouraged me to do a little more homework and go for my dream."

With the help and support of his wife Emma, Dr. Kim proceeded to go for his dream. With his business plan in hand, Dr. Kim went back to PNC Bank for a loan. PNC Bank approved a \$207,000 SBA-guaranteed loan that was used for purchasing equipment, leasehold improvements, and some working capital that enabled Dr. Kim to start the Edgewater Animal Hospital in November of 2004.

Today, Edgewater Animal Hospital provides care to over 400 dogs, cats, rabbits, ferrets, and other small animals. "We provide pediatric and wellness care, annual care, and senior care to all our patients," said Dr. Kim. "As a full-service animal hospital, I also perform surgeries and prescribe medicine. We also have an onsite pharmacy; we can perform lab work; take x-rays; and provide dental care."

Edgewater Animal Hospital works on an appointment basis, but will take emergency cases; Dr. Kim will even make a house call when necessary. The Edgewater Animal Hospital takes care of patients from Edgewater, Fort Lee, Cliffside Park, Englewood Cliffs, Tenafly, West New York, Guttenberg, Paramus and even Manhattan.

"I am a one doctor practice and I pride myself on knowing my clients and patients on an individual basis. I get a lot of reward from bonding with pet

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SBA to Implement Women-Owned Small Business Contracting Program

The U.S. Small Business Administration announced on May 25, 2005, that it has concluded its review of a recently issued report on a study it received from the independent National Academy of Sciences and will begin the necessary steps to implement the Women-Owned Small Business Contracting Program in a manner consistent with the recommendations contained within the study.

The first step in implementation is to prepare proposed regulations that would define the eligibility requirements for being considered a woman-owned small business, including requirements relating to ownership, control and economic disadvantage. The SBA will also request proposals for undertaking the industry-by-industry study, as

recommended by the NAS, needed to determine those industries where women-owned small businesses are underrepresented and substantially underrepresented. The study is required by law. The next step is to review the resulting study and implement the program in accordance with its findings.

The SBA has been and continues to be committed to making sure that women-owned small businesses have access to all federal contract opportunities," said Allegra McCullough, associate deputy administrator for Government Contracting and Business Development. "We are therefore moving ahead to see that the contracting program for women-owned small businesses is implemented in a manner that will withstand legal scrutiny."

This initiative is part of an overall

effort by the SBA is to increase contracting opportunities for women-owned small businesses. The latest figures available indicate that prime contracting dollars awarded to women-owned small businesses increased from \$6.8 billion in FY 2002 to \$8.3 billion in FY 2003, representing an increase of \$1.5 billion in prime contracting dollars.

If subcontracting dollars are included, more than \$14 billion in contracts were awarded to women-owned small businesses in FY 2003.

Other contracting initiatives at the SBA have shown positive results for women-owned small businesses. For example, in the Business Matchmaking program, 50 percent of the contracts awarded have gone to women-owned small businesses and over 65 percent of the contracting dollars have gone to women.

Small Business Week Award Nominations

The U.S. Small Business Administration (SBA) is searching for outstanding New Jersey small business owners and small business champions who will be honored during National Small Business Week during the spring of 2006.

According to SBA New Jersey District Director, James A. Kocsi, nominations are being sought for **New Jersey's Small Business Person of the Year** and for outstanding **SBA Small Business Champions** in the areas of **minority, women, veteran, financial services, home-based business, and Small Business Journalist of the Year**.

The SBA New Jersey District Office is also seeking candidates for **Small Business Exporter of the Year, Young Entrepreneur of the Year, and an SBA Family-Owned Business of the Year**.

Those interested in obtaining a copy of the **2006 Small Business Week nomination criteria and guidelines** should contact Harry Menta at (973) 645-6064 or e-mail harry.menta@sba.gov. The **deadline to receive all nomination packages is Friday, December 2nd, 2005**.

Pet Doc SCORES Success

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and owner and encouraging good veterinarian care, as well as knowing that I am running a state-of-the-art facility."

Dr. Kim, his five staff members, and his dog – a Bassett Hound named Bama - keep office hours Monday, Tuesday, Wednesday and Friday from 8:00 a.m. – 6:00 p.m.; Thursday's from 8:00 a.m. to 7:00 p.m. and Saturday's from 8:00 a.m. to Noon. The Edgewater Animal Hospital also has its own Web site at <http://www.edgewaterDVM.com>.

"We have the capacity to take care of 3,000 patients," said Dr. Kim. "As we continue to grow, we look forward to the challenge of staying organized and efficient in order to continue to provide the high level of service our clients have come to expect."

And even though it is a dog eat dog world, this veterinarian is glad he knows the score when it comes to his own success.